

**Deutsche Bank Trust Company Americas**  
Corporate Trust & Agency Services

**Deutsche Bank**



November 11, 2003



03037549

Securities and Exchange Commission  
International Corporate Finance Department  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Paul Martin  
Vice President  
Global Equity Services / Depositary  
Receipts  
Corporate Trust and Agency Services  
60 Wall Street - 25<sup>th</sup> Floor  
New York, NY 10005

Direct Tel: 212 602 1044  
Direct Fax: 212 797 0327  
E-mail: paul.martin@db.com

**Re: St. George Limited - Information Pursuant to Rule 12g3-2(b)  
under the Securities Exchange Act of 1934**

Ladies and Gentlemen:

This letter and the attached documentation, as provided by St. George Bank Ltd. are being furnished to the Securities and Exchange Commission (the "SEC") in connection with the current exemption from Section 12(g) of the Securities Exchange Act of 1934 (the "1934 Act") afforded by Rule 12g3-2(b) thereunder afforded to St. George Bank Ltd. The SEC file number relating to such exemption is 82 - 3809.

Please confirm to the undersigned that the enclosed materials have been received in good order and that such materials are sufficient to satisfy the requirements contemplated under Section 12 (g).

Thank you.

Sincerely,

Paul Martin  
Vice President  
Deutsche Bank Trust Company Americas  
As Depositary

**PROCESSED**

**NOV 25 2003**

**THOMSON  
FINANCIAL**

Attachments:

- Press Rel: St George establishes New benchmarks
- Press Rel: St George New Benchmark Oversubscribed
- New Issue Annc to ASX: 33,779 shs
- 2003 Preliminary Final Report
- 2003 Final Results Presentation

*llw 11/20*



R E T H I N K



# *news release*

6 November 2003  
RE031103

## **ST.GEORGE ESTABLISHES NEW A\$ BENCHMARKS**

St.George Bank Limited announced today the launch of A\$400 million Fixed and Floating Rate Transferable Deposits ("FRTDs") issue. The FRTD's will mature on 15 August 2008, creating two new benchmark issues and will extend the St.George yield curve beyond four years. Pricing is expected on Friday 7 November.

The issue will comprise a minimum Fixed Rate Series of A\$200 million and consolidates St.George's strategy of maintaining a yield curve of large, liquid benchmark issues.

St.George Bank is the Lead Manager for the transaction with National Australia Bank Ltd and SG Australia Ltd acting as Co-Managers. Secondary market liquidity should be supported by the provision of a Stock Lending Facility of A\$100 million for the Fixed Rate Series.

Ends...

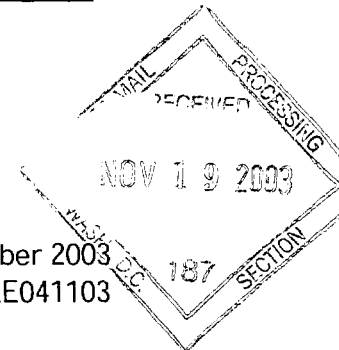
**Media Contact:** Jeff Sheehan, Chief Manager, Capital Markets  
Tel: 02 9320 5510

# *news release*

R E T H I N K



7 November 2003  
RE041103



## **ST.GEORGE NEW BENCHMARKS OVERSUBSCRIBED**

St.George Bank Limited announces the pricing today of a \$500 million Fixed and Floating Rate Transferable Deposits issue. The initial offer of \$400 million was increased to \$500 million due to oversubscription. At final allotment the Floating Rate series was upsized by \$100 million in order to satisfy strong investor demand.

The \$200 million Fixed Rate series was priced at a margin of 58 basis points over the 15 August 2008 Commonwealth Government bond, offering a semi annual yield of 6.445% to investors. This is equivalent to 25 basis points over swap. The coupon is 6.25%. The \$300 million Floating Rate series priced at a re-offer margin of 3 Month BBSW +25 basis points per annum.

Both series of Transferable Deposits will mature on 15 August 2008 and will be settled on 12 November 2003. The issue was Lead Managed by St.George, with SG Australia Ltd and National Australia Bank Ltd as Co-Managers.

The issue creates two new benchmarks and consolidates St.George's strategy of establishing a yield curve of large, liquid benchmark issues. A \$100 million stock lending facility is also provided by St.George to assist in secondary market liquidity.

St.George is rated A by Standard & Poor's, A2 by Moody's Investors Services and A+ by Fitch Ratings.

Ends...

**Media Contact:** Jeff Sheehan, Chief Manager, Capital Markets  
Tel: 02 9320 5510

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

ST.GEORGE BANK LIMITED

ABN

92 055 513 070

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                 |
|---|--|-----------------|
| 1 | +Class of +securities issued or to be issued   | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 33,779          |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | N/A             |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

- 4 Do the \*securities rank equally in all respects from the date of allotment with an existing \*class of quoted \*securities?
- Yes, with existing fully paid ordinary shares.
- If the additional securities do not rank equally, please state:
- the date from which they do
  - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
  - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 5 Issue price or consideration
- Nil
- 6 Purpose of the issue  
(If issued as consideration for the acquisition of assets, clearly identify those assets)
- Share issued under the St.George Bank Executive Performance Share Plan.
- 7 Dates of entering \*securities into uncertificated holdings or despatch of certificates
- 10 November 2003 – 28,281  
11 November 2003 – 5,498
- 8 Number and \*class of all \*securities quoted on ASX (including the securities in clause 2 if applicable)
- | Number      | *Class                        |
|-------------|-------------------------------|
| 505,656,595 | Ordinary shares               |
| 3,000,000   | PRYMES                        |
| 174,965     | 8.5% unsecured capital notes  |
| 217,134     | 8.25% unsecured capital notes |

---

+ See chapter 19 for defined terms.

		Number	*Class
9	Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	10,547	Redeemable preference borrower share
		359,095	Redeemable preference depositor share
		1	Perpetual Note
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	To be treated in the same manner as other quoted ordinary shares.	

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the *securities will be offered	
14	*Class of *securities to which the offer relates	
15	*Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has *security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	
25	If the issue is contingent on *security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

---

+ See chapter 19 for defined terms.

32 How do \*security holders dispose of their entitlements (except by sale through a broker)?

33 \*Despatch date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*(If the additional securities do not form a new class, go to 43)*

*Tick to indicate you are providing the information or documents*

35 ☐ If the \*securities are \*equity securities, the names of the 20 largest holders of the additional \*securities, and the number and percentage of additional \*securities held by those holders

36 ☐ If the \*securities are \*equity securities, a distribution schedule of the additional \*securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☐ A copy of any trust deed for the additional \*securities

*(now go to 43)*

+ See chapter 19 for defined terms.



**Entities that have ticked box 34(b)**

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  If the additional securities do not rank equally, please state: <ul style="list-style-type: none"><li>• the date from which they do</li><li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li><li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li></ul>					
41	Reason for request for quotation now  <i>Example: In the case of restricted securities, end of restriction period</i>  (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"><thead><tr><th>Number</th><th>+Class</th></tr></thead><tbody><tr><td></td><td></td></tr></tbody></table>	Number	+Class		
Number	+Class					

(now go to 43)

---

+ See chapter 19 for defined terms.

## All entities

### Fees

43 Payment method (tick one)

☐

Cheque attached

☐

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

☐

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

---

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before \*quotation of the \*securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Date: 10/11/2003

Secretary

Print name: Rhonda Lee Quan

=====

---

+ See chapter 19 for defined terms.



**To: Companies Announcements  
Australian Stock Exchange Limited**

Company Name:	ST.GEORGE BANK LIMITED
ABN:	92 055 513 070
Pages (includes this page):	30
Contact Officer:	Michael Bowan
Contact Telephone:	(02) 9236 1278
Facsimile:	(02) 9236 1899
Subject:	<b>FULL YEAR RESULTS PRESENTATION</b>
Date Sent:	5 November 2003

I attach slides of a presentation to analysts currently being made by the St.George Bank's Managing Director, Mrs Gail Kelly (commencing 11.30 am). The presentation is web cast live on the St.George Bank website at [www.stgeorge.com.au](http://www.stgeorge.com.au). The slides will also be made available on the website.

Yours sincerely

Michael Bowan  
**General Counsel and Secretary**

# FULL YEAR RESULTS

5 November 2003

RETHINK



st. george

SERVICE!

## AGENDA

RESULT HIGHLIGHTS:

Gail Kelly

FINANCIAL OVERVIEW:

Steve McKerihan

STRATEGY OVERVIEW:

Gail Kelly

## WE HAVE DELIVERED A QUALITY RESULT

3

- Strong revenue growth
- Costs well managed
- Robust interest margin
- Superior credit quality maintained
- Effective implementation of strategy

## PROFIT RESULT

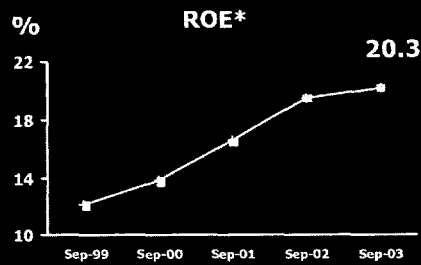
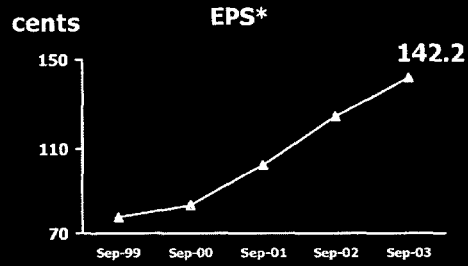
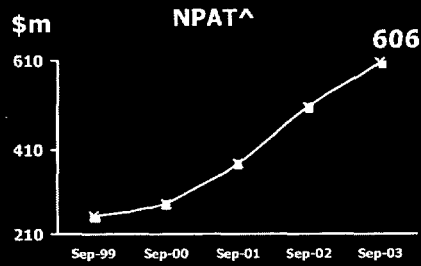
4

	Sep 2003	Sep 2002	% Change
Profit Before Sig. Items	\$606m	\$505m	20
Profit After Sig. Items	\$606m	\$369m	64
Earnings per Share*	142.2¢	124.7¢	14
Return on Equity*	20.3%	19.5%	
Expense to Income*	49.6%	52.4%	
Dividend	95 cents	80 cents	19

\*Calculated before significant items and goodwill amortisation

## SUSTAINED FINANCIAL PERFORMANCE

5



<sup>^</sup>Before significant items

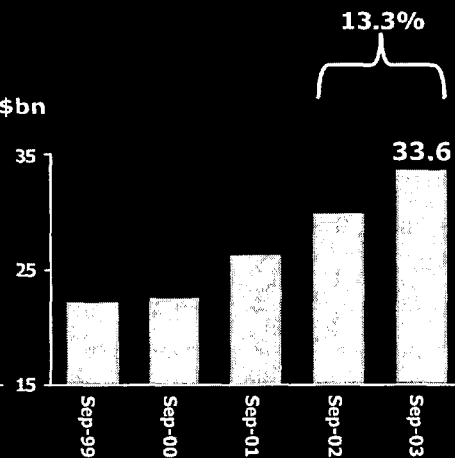
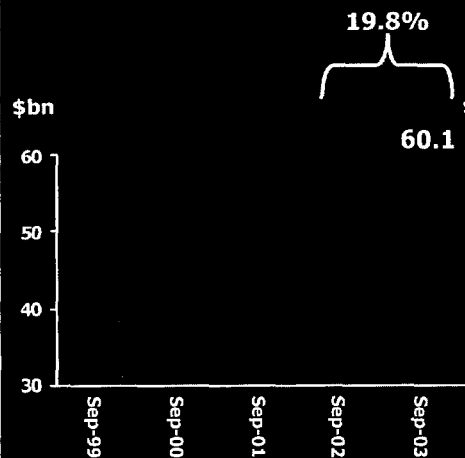
<sup>\*</sup>Calculated before significant items and goodwill amortisation

## STRONG GROWTH IN ASSETS AND LIABILITIES

6

**Total Lending<sup>\*</sup>**

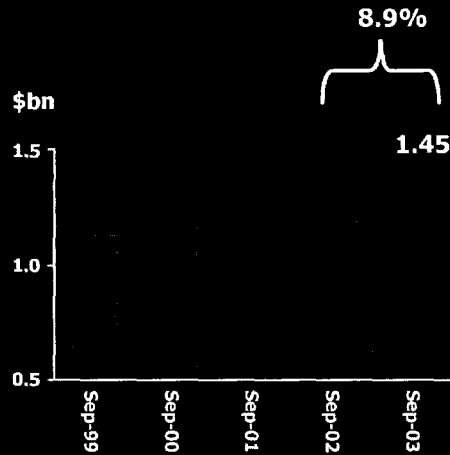
**Total Retail Deposits**



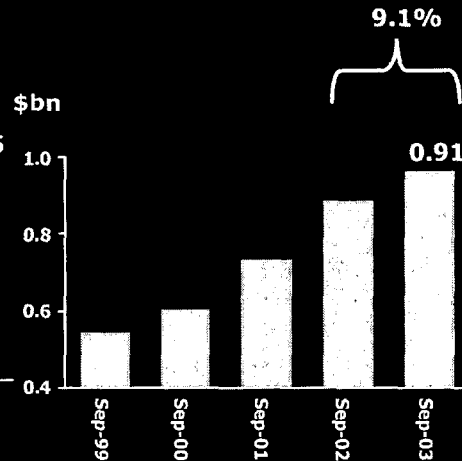
<sup>\*</sup>On and off balance sheet

## BUILDING INCOME

### Net-Interest Income

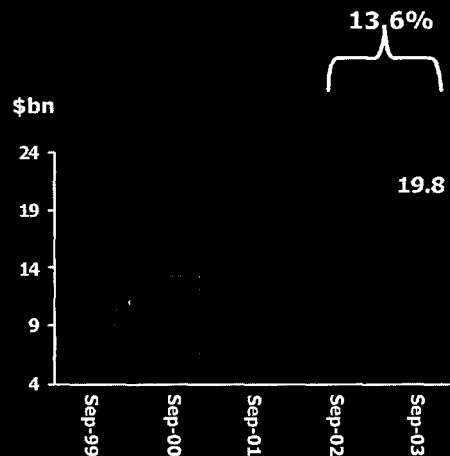


### Non-Interest Income



## ROBUST MANAGED FUNDS GROWTH

### Total Managed Funds



- SEALCORP funds under administration up 15.6%
- Advance funds under management up 14.1%

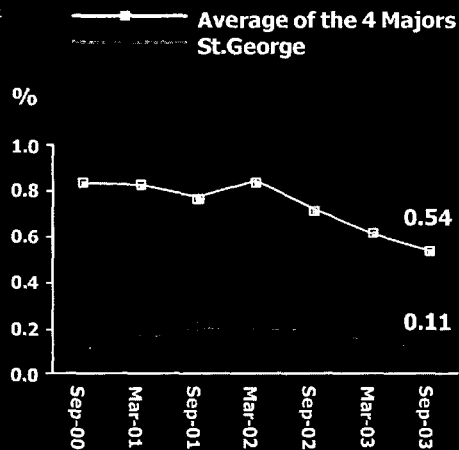
Percentages compare Sep-02 year to Sep-03 year



## CREDIT QUALITY REMAINS EXCELLENT

9

### Non-Accruals/Total Receivables



- Asset quality across Group continues to be excellent
- Specific provisioning coverage for non-accruals has increased to 59.3% from 51.3%
- Bad debts/average total receivables stable at 0.22%

Percentages compare Sep-02 year to Sep-03 year

## DELIVERING ON TARGETS

10

	TARGET	OUTCOME
EPS Growth 2003	Sep-02: 10% May-02: 11-13% upgrade Aug-03: 13-14% upgrade	14%
EPS Growth 2004/5	Double digit	Reaffirmed
Cost to Income	Sub 50% FY04	Achieved in 1H03
Capital	Tier one 7-7.5%	7.2%
Credit Quality	Maintain positive differential to the majors	Achieved
Customer Satisfaction	Maintain positive differential to the majors	Achieved

# FINANCIAL OVERVIEW

**Steve McKerihan**  
**Chief Financial Officer**

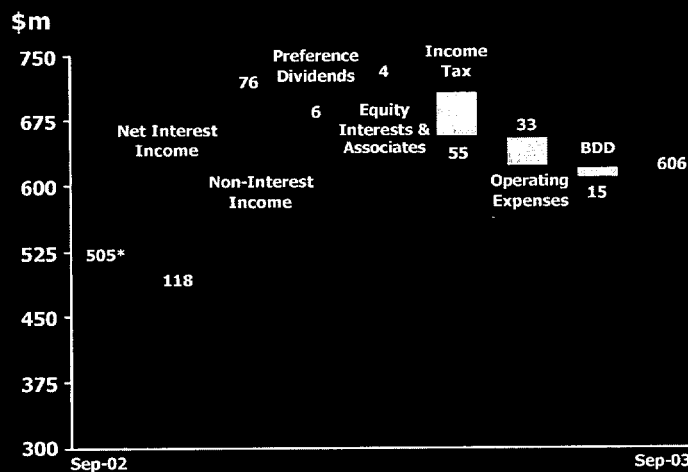
RECHONK



st.george

SERVICE!

## CLEAN OPERATIONAL RESULT



\*Excludes significant items

## BUSINESS VOLUMES GROW STRONGLY

13

	Sep 2003 \$bn	Sep 2002 \$bn	Change %	Market Growth %
Total Lending**	60.1	50.2	19.8	12.5^
Retail Deposits	33.6	29.7	13.3	9.9^^
Managed Funds	19.8	17.4	13.6	9.7*

\* Source: ASSIRT- Total retail managed funds

\*\* Includes securitised loan balances and bill acceptances

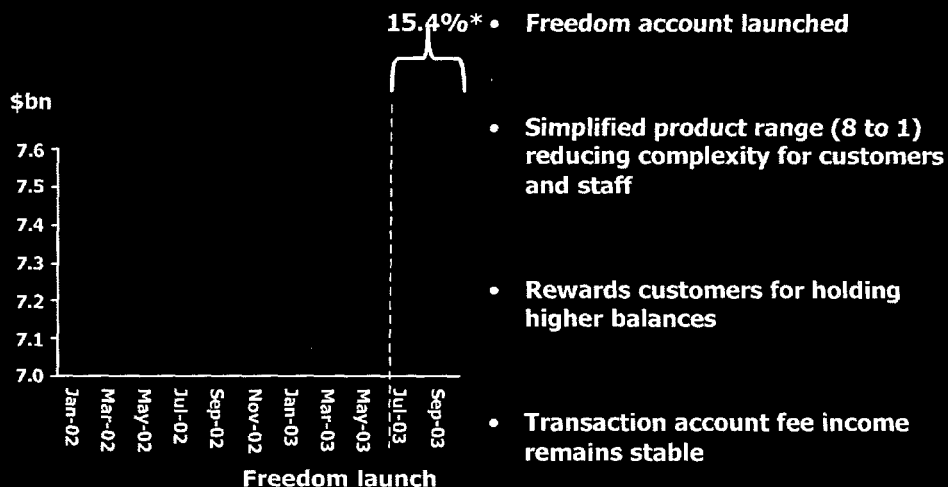
^ Source: RBA Bulletin - Total aggregate credit growth (system) to Aug-03 annualised

^^ Source: Australian Bankers' Association - Total retail deposits to Aug-03 annualised

## RETAIL DEPOSITS GROWTH

14

### Retail transaction account balances

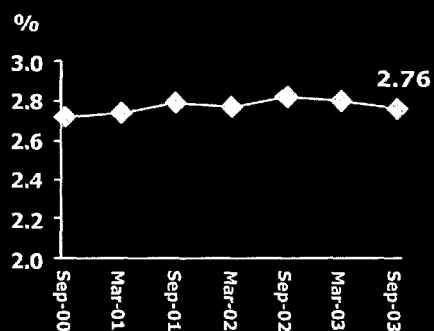


\* Annualised

## MARGIN STRENGTH MAINTAINED

15

### Interest Margin



- Margins for individual products remain stable
- Strong growth in assets impacting funding mix

## NON-INTEREST INCOME

16

	Sep-03 \$m	Sep-02 \$m	Change %
<b>Product fees &amp; commissions</b>			
-deposits & other accounts	216	204	6
-electronic banking	182	155	17
-lending	68	76	(11)
<b>Managed funds</b>	172	178	(3)
<b>Financial markets</b>	53	45	18
<b>Securitisation</b>	82	73	12
<b>Bill Acceptance Fees</b>	48	32	50
<b>Sale of Property</b>	25	1	
<b>Other</b>	64	70	(9)
<b>TOTAL</b>	<b>910</b>	<b>834</b>	<b>9</b>

## LENDING FEES

17

- Gross lending fees up 18% FY02 to FY03
- Broker fees up due to increased inflows and accelerated amortisation
- One-off adjustment to amortisation from 4 to 3 years equals \$7m

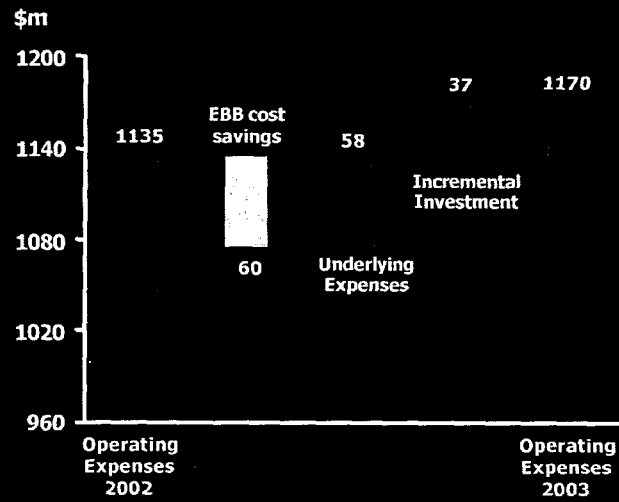
## MANAGED FUNDS INCOME

18

- Managed funds have grown 13.6%
- Majority of growth in second half of 2003
- Wholesale funds in Sealcop and Advance up 23%
- Product margins stable

## REINVESTING FOR SUSTAINABLE GROWTH

19



## DEFERRED EXPENDITURE DECLINES FURTHER

20

	\$m
Sep-02 balance	185
New spend	39
Amortisation	(75)
Sep-03 balance	149

Further decline expected in 2004

## SEGMENTAL PROFIT

21

	Sep-03 \$m	Change* %	Cost to Income Ratio 2003 %	Cost to Income Ratio 2002 %
Personal Customers	533	12.7	52.5	53.4
Institutional & Business Banking	334	18.9	33.3	37.0
BankSA	143	19.2	48.3	53.0
Wealth Management	76	8.6	70.8	75.0
<b>Total</b>	<b>1086</b>	<b>15.0</b>	<b>49.6</b>	<b>52.4</b>

\*Since Sep-02

## EFFECTIVE CAPITAL MANAGEMENT

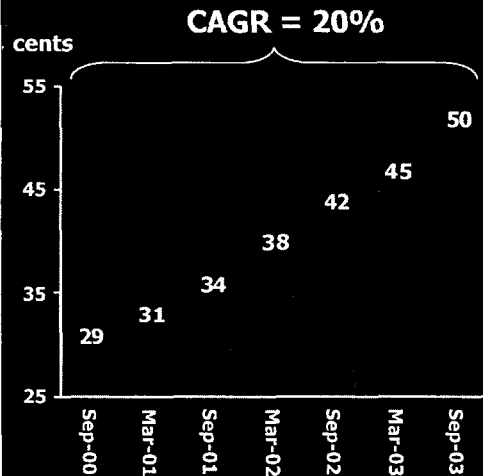
22

- Capital generation supporting organic growth
- Tier one capital 7.2%
- US\$2.5bn mortgage securitisations:
  - March US\$1.1bn
  - September US\$1.4bn
- Subordinated debt issues:
  - May A\$250m
  - October US\$400m
- Total dividend 95 cents

## TRACK RECORD OF DIVIDEND GROWTH

23

Dividends Sep-00 to Sep-03



- Seven consecutive increases in dividend payments
- All dividends fully franked
- Dividend Reinvestment Plan continues

## 2004 PROFIT OUTLOOK

24

- Strong underlying momentum
- Yield curve steepening
- 4% pay increase effective 1 October 2003
- Estimated interchange fee impact \$20m\*
- Continued investment in future growth
- On track for 2004 EPS growth target

\* c.\$10m credit card and c.\$10m Visa debit cards. Impact on 2004 pre-tax earnings for 11 month period



# STRATEGY OVERVIEW

**Gail Kelly     Managing Director**



SERVICE!

- **PRIORITIES UPDATE**

- **CONTINUOUS SERVICE IMPROVEMENT**

- **YEARS 2004 AND 2005**

## 2003 – YEAR OF IMPLEMENTATION

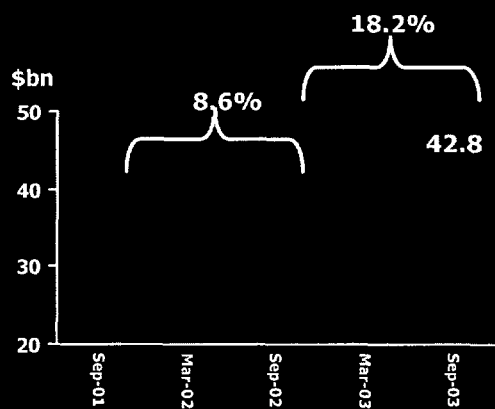
27

- **Home loans** - Reversed the trend
- **Middle market** - High quality growth
- **Wealth management** - Focused performance
- **Productivity management** - Disciplines established
- **Team** - Stable, high quality and aligned
- **Integrated sales and service** - Program successfully launched
- **Victoria** - Targeted growth strategy underway

## HOME LOANS – MEETING THE CHALLENGES

28

### Residential Receivables

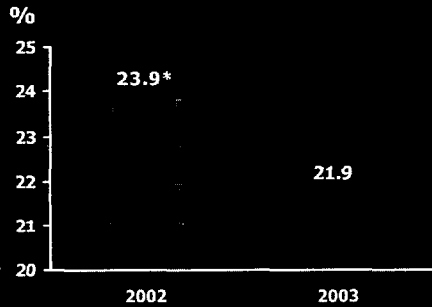


- **Improving retention**
- **Increased productivity in proprietary channels**
- **Segmented approach to broker channel**
- **Increased focus on Vic, Qld and WA**
- **Product innovation**

## IMPROVING RETENTION

29

### Run-off Rate<sup>^</sup>



- Dedicated retention team in place – 40 people
- Focus on relationship management and service
- Increased use of predictive modelling to determine 'at risk' customers
- Network now accountable for retention and sales
- Product mix and features more retention friendly

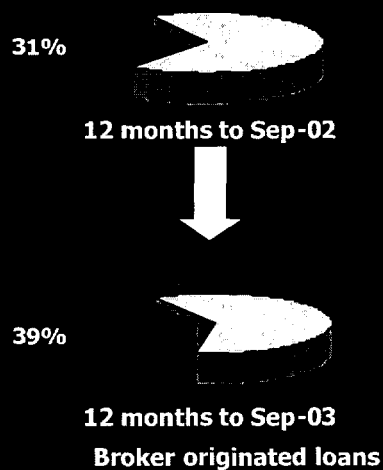
\* Number differs from May due to the elimination of internal churn and more accurate calculation of the draw down of lines of credit

<sup>^</sup>Run-off rate includes contractual repayments, payouts, pre-payments and refinancings

## IMPROVING BROKER RELATIONSHIPS

30

### Loan Origination\*



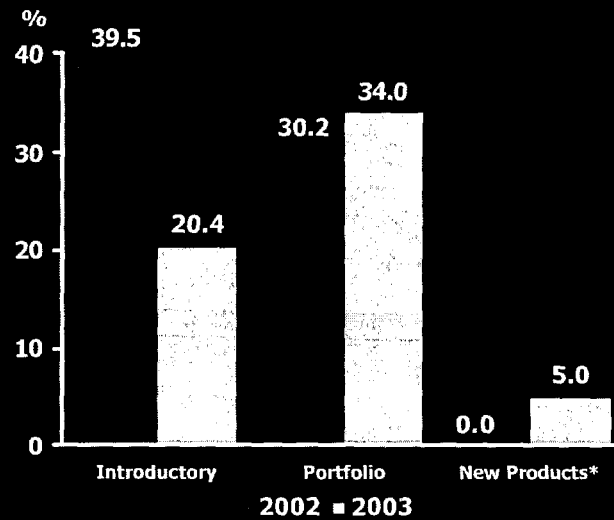
- Targeted approach
  - segmentation
  - Vic, Qld and WA
- Sales from proprietary channels increased 15% in 2003
- Retention and credit characteristics for broker and proprietary loans are similar

\*Settlements

## IMPROVING THE MIX

31

### Proportion of Loan Settlements by Product Category^



^Selected categories only

\*No Deposit, Low Doc, Seniors Access

## MIDDLE MARKET – CONTINUED SUCCESS

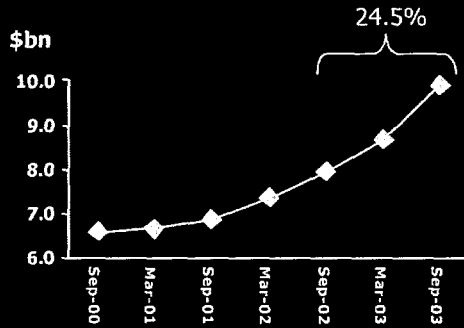
32

- Market leading service model
- Complete product and service offering
- High level of customer loyalty and retention
- Focused around 6 key industries
- Increasing brand awareness

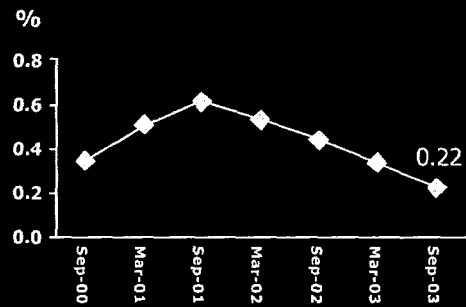
## EXCELLENT GROWTH AND CREDIT QUALITY

33

### Total Middle Market Receivables



### Impaired Assets/Total Middle Market Receivables

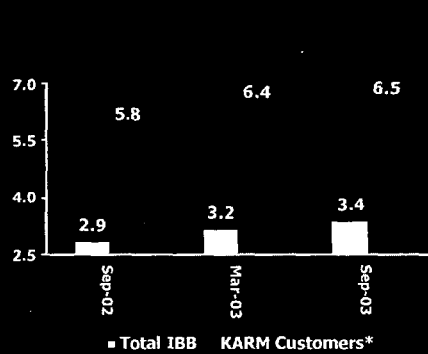


Middle market segment criteria unchanged

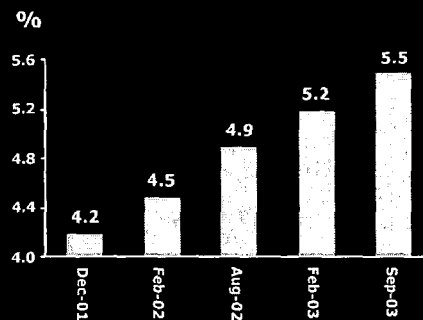
## MIDDLE MARKET – DEEPENING RELATIONSHIPS

34

### Products per Customer



### Market Share^



\*KARM – Key Account Relationship Management

^East and Partners Ltd – Australian Commercial Transaction Banking Markets

## MIDDLE MARKET - A QUALITY PORTFOLIO

35

- Existing prudent credit policies maintained
- 66% of new business sourced from existing customers
- Active strategy to source referrals from existing customers
- Minimal customer churn
- 21 net non-accrual loans totalling \$22m, largest is \$7m next largest is \$2m

## PROPERTY LENDING

36

- Property comprises 44% of total commercial lending: \$5.8bn
  - commercial investment lending \$4.7bn
  - construction lending \$1.1bn
- A core competency since 1986
- Well diversified by geography, sector and borrower
- No property loan is impaired
- No specific provisions raised on any property lending in FY03
- >75% of growth has occurred in core markets

## PROPERTY LENDING

37

### COMMERCIAL INVESTMENT LENDING

- Integral to wider banking relationships
- Underpinned by long-term leases with strong rental flows
- No substantial exposure to any single property

### CONSTRUCTION LENDING

- Minimal exposure to CBD residential developments:  
Sydney 1, Brisbane 1, Perth 1, Melbourne 0, Adelaide 0
- Average LVR for construction lending is 52%
- Minimal exposure to any single builder or construction project

## WEALTH MANAGEMENT

38

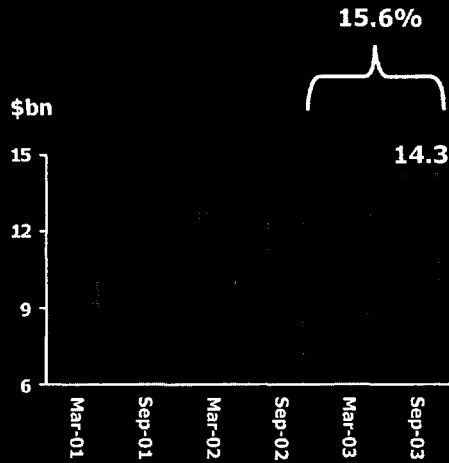
- Clean portfolio
- Delivering strong organic growth
- Solid performance by all businesses
- Leveraging Group's customer base and ISS\* investment
- Building competitive advantage with clear priorities
  - scale platform (ASGARD)
  - distribution partnerships
  - leadership economics
  - GOLD customer base

\* Integrated Sales and Service

## SEALCORP – GROWTH CONTINUES

39

### Funds Under Administration

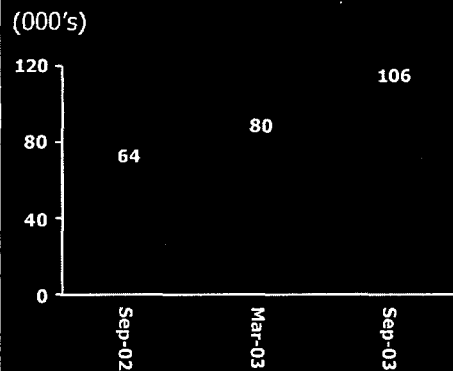


- A complete platform offering
- Leveraging scale
- Growth in Master Trust and Wrap
- Expanded distribution through AMP wrap alliance

## GOLD – A STRATEGIC PRIORITY

40

### Customer Numbers\*



- Gold customer satisfaction has increased and remains high
- Customer retention 97%
- Targeted outbound marketing campaigns underway
- Gold customer 5 times more receptive to direct sales
- Next phase in re-design underway

\*Gold segment eligibility criteria unchanged



## **VICTORIA - A FOCUS FOR GROWTH**

41

- **An alternative to the majors in key customer segments**
- **Differentiated by customer service delivery**
- **Initial focus on**
  - **Middle market**
  - **Gold**
  - **Home loans**
- **Measured approach to infrastructure build**
- **General Manager appointed in Feb-03**
- **Total lending balance growth\* 1H03 8%, 2H03 28%**
- **Applying learnings to Qld and WA**



\* Annualised

## **• PRIORITIES UPDATE**

### **• CONTINUOUS SERVICE IMPROVEMENT**

## **• YEARS 2004 AND 2005**



42

## CONTINUOUS SERVICE IMPROVEMENT – OUR APPROACH

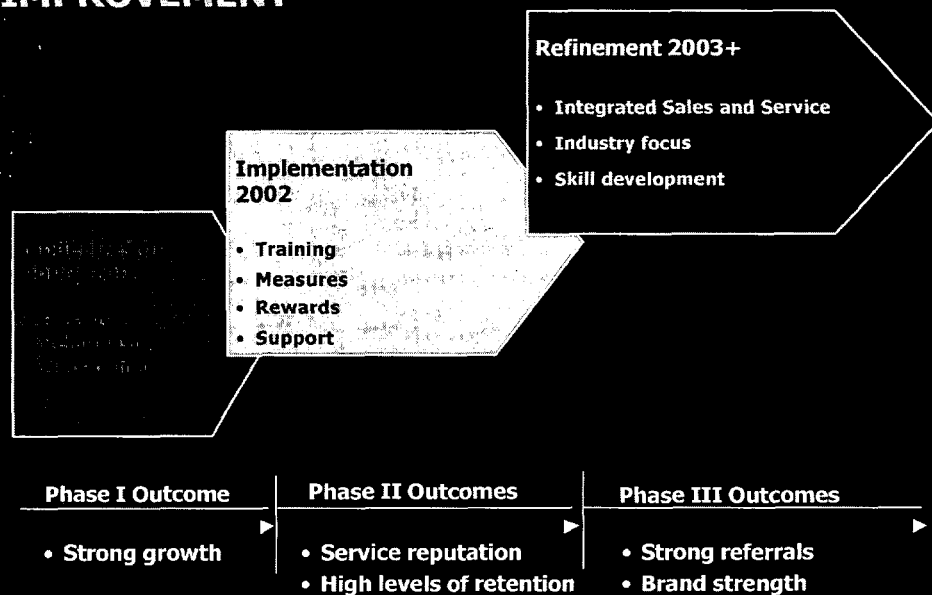
43

- Different starting position
- Culture supports continuous service improvement
- Focus on building to last
- Investment in customer facing staff
- Listening to the customer

PEOPLE ARE THE KEY

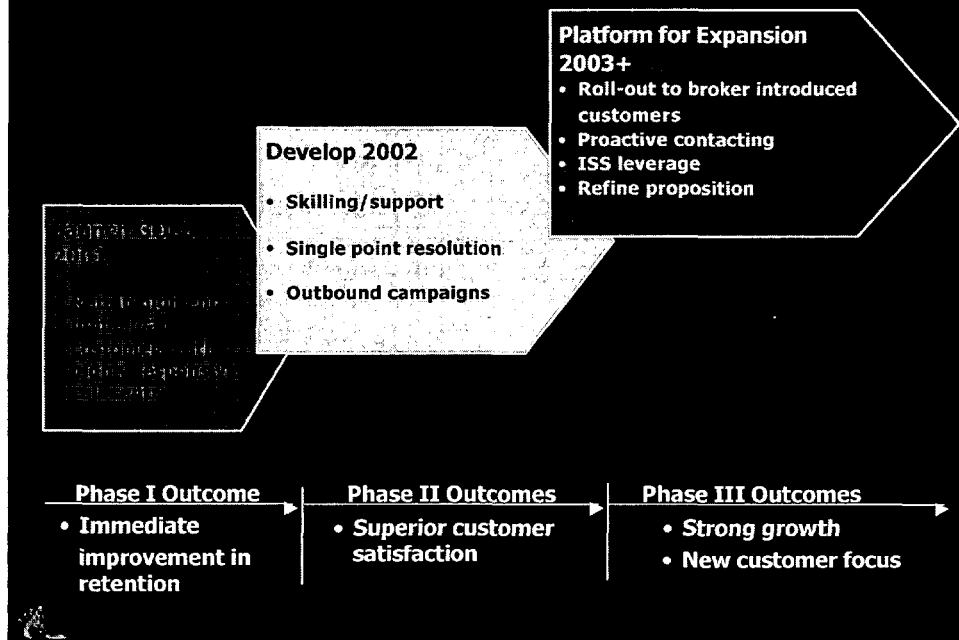
## MIDDLE MARKET - CONTINUOUS SERVICE IMPROVEMENT

44



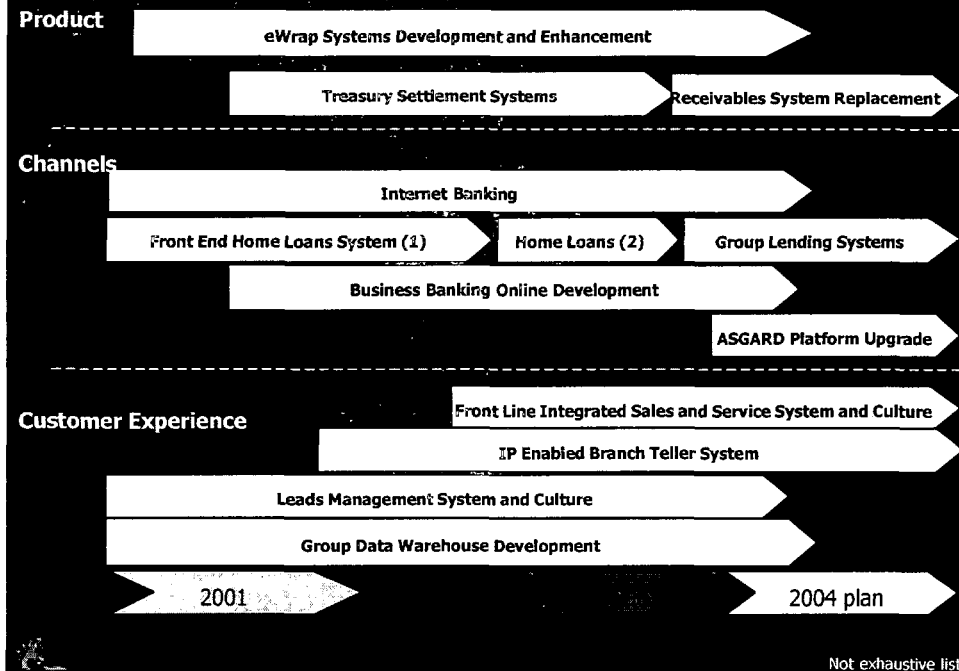
## GOLD - CONTINUOUS SERVICE IMPROVEMENT

45



## CONTINUOUS INVESTMENT IN THE BUSINESS

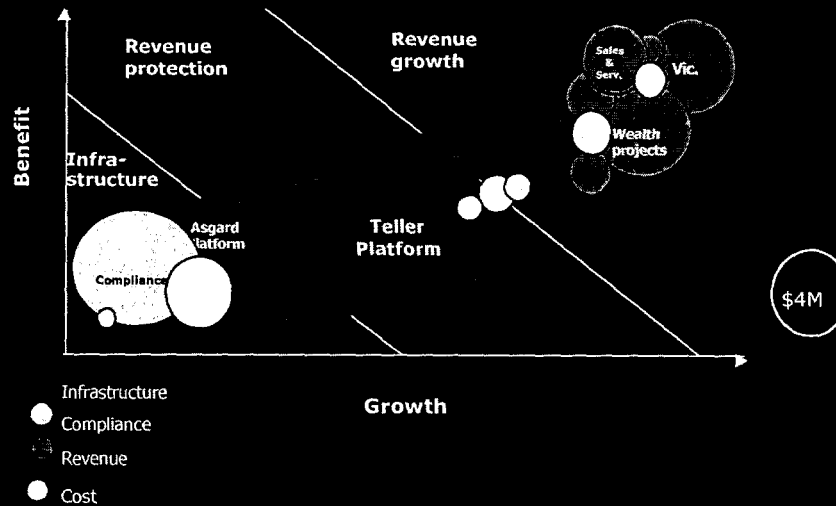
46



Not exhaustive list

## FY04: SUPPORTING CONTINUOUS INVESTMENT <sup>47</sup>

### Projects for 2004



Excludes self-funded productivity enhancement projects

## CONTINUOUS REINVESTMENT PROCESS <sup>48</sup>

### People

- Additional customer facing staff
- Re-align front-line to meet customer needs
- Optimise team and organisation structure
- Recruit skilled people with specific industry experience

### Proficiency

- Leadership development and succession planning
- Sales and service skilling for front line people
- Relationship management coaching
- Performance management

**RIGHT PEOPLE, RIGHT JOBS, RIGHT SKILLS**

## CONTINUOUS COST FOCUS 2004+

49

### FRONT OFFICE

- Review/remove non-sales activities in branches
- Call centre redesign

### BACK OFFICE

- Organisation redesign to group processing
- Expand image processing
- Home loan end-to-end process improvements

### INFRASTRUCTURE AND CORPORATE SERVICE

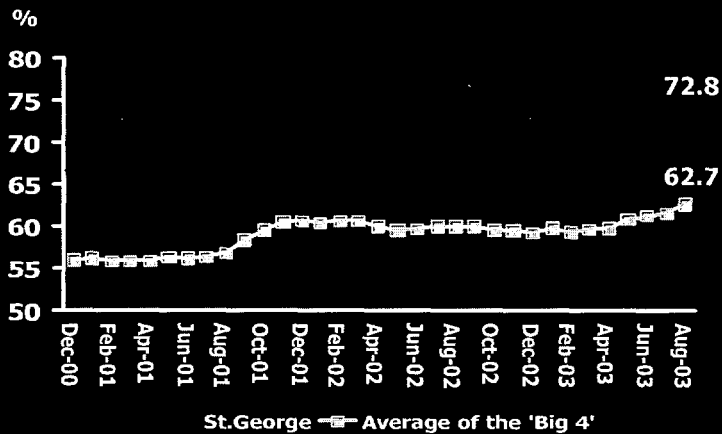
- Eliminate duplicative systems
- Drive purchasing and property efficiencies
- Marketing services re-design
- Internal charging disciplines

Productivity enhancements projects are self-funded

## DIFFERENTIATED CUSTOMER SATISFACTION

50

### Customer Satisfaction



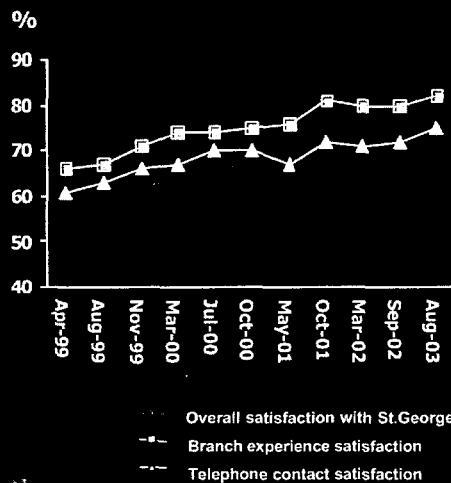
Source: Roy Morgan Research, Sep 2003  
Base: Respondents with transaction accounts at institution (aged 14+)

## REGULAR TRACKING OF SERVICE MEASURES

51

### Customer Satisfaction\*

Since May 1999...



- Overall customer satisfaction up 29%, up 4% in 2003
- Branch experience satisfaction up 24%, up 2.5% in 2003
- Telephone service satisfaction up 23%, up 4% in 2003

\*Jones Donald survey; 11 waves; 130,000+ customers surveyed

## CUSTOMER SERVICE – KEY FOCUS FOR TEAM

52

**Gail Kelly**  
Managing Director

**Andrew Thorburn**  
Personal  
Customers

**Paul Fegan**  
Wealth  
Management

**Greg Bartlett**  
IBB

**Rob Chapman**  
BankSA

**Peter Clare**  
Strategy

**John Loebenstein**  
IT

**Luke Bunbury\***  
Customer  
Service

**Brett Wright**  
Human  
Resources

**Steve McKerihan**  
CFO

\* Newly appointed in September 2003

- **PRIORITIES UPDATE**
- **CONTINUOUS SERVICE IMPROVEMENT**
- **YEARS 2004 AND 2005**

## **TARGETS – FY2004 AND FY2005**

<b>EPS Growth 2004</b>	<b>10-11%</b>
<b>EPS Growth 2005</b>	<b>double digit</b>
<b>Cost to Income in 2004</b>	<b>Remain sub 50%</b>
<b>Capital</b>	<b>Tier one 7-7.5%</b>
<b>Credit Quality</b>	<b>Maintain positive differential to the majors</b>
<b>Customer Satisfaction</b>	<b>Maintain positive differential to the majors</b>

## ST.GEORGE – KEY MESSAGES

55

- **Quality operational result**
- **'Back to basics' strategy delivering**
- **Continuous service improvement culture in place**
- **Differentiated growth strategy**



56





The material in this presentation is general background information about the Bank's activities current at the date of the presentation. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice when deciding if an investment is appropriate.

For further information visit

**[www.stgeorge.com.au](http://www.stgeorge.com.au)**

or contact

Sean O'Sullivan

Head of Investor Relations

Ph: +61 2 9236 3618

Mb: +61 412 139 711

Email: [osullivans@stgeorge.com.au](mailto:osullivans@stgeorge.com.au)